



December 2014

2015 ASSESSMENT NOTICE

Our Annual Assessment has been \$885 since 2012. The base single family home assessment for 2015 will remain the same for the 4th year. However the circumstances described below dictate that the total Annual Assessment for 2015 be increased by \$150 to \$1,035 in order to provide for the Ash Tree Remediation plan.

We have previously advised you about the Emerald Ash Borer threat to the approximately 315 common area Ash trees in Riverwoods via mail & email (4/26/14), at the Annual Meeting (6/10/14) and on the community website (<http://www.riverwoodsatnewhope.org/emeraldashborer.html>) posted on 6/11/14. There is no evidence of infestation here yet but all of the experts tell us it is inevitable and the impact will be total.

Our potential cost for the takedown & removal of the common area Ash trees is estimated at more than \$325,000. The simple arithmetic is that if we wait we will pay more per year than if we begin now and accrue the funds over a 10 year period. Of course we do not know whether or not we will in fact have 10 years to implement our Ash Remediation Plan; once the infestation begins it might be more aggressive and create the serious hazard of brittle, dead ash trees (many more than 100 ft. tall) to property & residents sooner than that.

Doing nothing is not an option; increasing our annual assessment by \$150 will allow us to accrue funds that we hope will be sufficient to implement the Ash Remediation Plan when it happens. If by some chance the infestation does not happen, these Ash Tree Remediation funds will be available to reduce future annual assessments. The funds will be accounted for in a clearly identified separate category and will not be used for any other purpose.

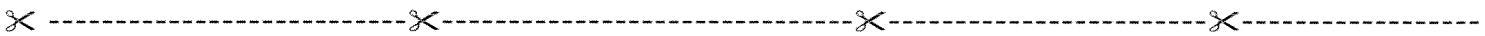
THIS IS YOUR MARCH 1, 2015 ASSESSMENT NOTICE. Please remit your \$1,035 payment for the year to the address listed below. Checks should be made payable to the Riverwoods at New Hope Community Association, and please indicate your Riverwoods address on your check.

IMPORTANT NOTE: Due to heightened financial security restrictions, the Association can only accept checks made payable to the Association. Checks made payable to the Management Company will not be accepted and will be returned to you. If you use an on-line payment vendor, please ensure that they have the proper information. If you use an online banking service, please use the address of the unit you are paying for as your account number.

Assessment payments are due on the first of March. If your payment is not received by the 15th of the month, a \$35 late charge will be assessed to your account. In addition, **payments ARE NOT accepted at the management office**, and must be mailed to the P.O. Box indicated on the coupon. Please complete and return the coupon below with your payment.

Enclosed is a copy of the 2015 budget for your information. If you have any questions concerning the Association assessments, please feel free to contact our management office.

Sincerely,
RIVERWOODS AT NEW HOPE COMMUNITY ASSOCIATION



DUE DATE	AMOUNT
March 1, 2015	\$ 1,035.00

MAKE CHECK PAYABLE TO:
RIVERWOODS AT NEW HOPE COMMUNITY ASSOCIATION

Name: _____

Address: _____

MAIL PAYMENT TO: SORT 452
RIVERWOODS AT NEW HOPE COMMUNITY ASSOCIATION
P.O. BOX 745
WARRINGTON, PA 18976-0745

RIVERWOODS AT NEW HOPE COMMUNITY ASSOCIATION
COMMON AREA
2015 BUDGET

INCOME

Assessments - Singles	\$215,280
Assessments - Townhomes	17,830
Resale Capital	9,250
Interest	6,100
Miscellaneous	1,500
Late Charges	<u>750</u>
TOTAL INCOME	<u><u>\$250,710</u></u>

EXPENSES

Grounds Maintenance	\$62,180
Trash Removal	38,690
Snow Removal	26,000
Management Service	11,460
Pond Maintenance	5,250
Office & Administrative	3,040
Insurance	2,950
Repairs & Maintenance	2,700
Legal & Accounting	2,500
Site Lighting	1,500
Corporate Tax	<u>740</u>
TOTAL EXPENSES	\$157,010

CAPITAL RESERVE & CONTRIBUTED CAPITAL
(Includes Interest of \$5,900)

59,350

ASH TREE REMEDIATION RESERVE

34,350

TOTAL EXPENSES & RESERVE

\$250,710

RIVERWOODS AT NEW HOPE COMMUNITY ASSOCIATION
2015 BUDGET ANALYSIS

INCOME

Assessments - Singles: The annual assessment for each detached single home is \$1,035, an increase of \$150. This is the first increase since 2012.

Assessments – Townhomes: The monthly townhome contribution to the Master Association is \$70.75, an increase of \$12.50. The townhomes will also be assessed for services provided solely to them; please refer to their separate budget.

Resale Capital: It is projected that one townhome will be resold and pay a capital contribution of \$250 and 12 single homes will be resold and pay a capital contribution of \$750. These funds will be transferred to the capital account.

Interest: Projected at 1.0% on the Association's operating, reserve and capital funds.

Miscellaneous: The Association is reimbursed by New Hope Borough for electricity charges to ten streetlights.

Late Charges: It is anticipated that some owners will pay their assessment late and incur late charges.

EXPENSES

Grounds Maintenance: The Association is responsible for maintaining the common open space, comprised of 18 acres. The Association will mow these areas approximately 25 times per year. The grass areas will receive turf applications in the spring and fall. In addition, the Association owns other common areas that will remain in their original, natural condition or that contain wetlands, which may not be disturbed. The budget also provides \$7,770 for the non-contracted landscaping services.

Trash Removal: The Association provides trash removal service for all homes. The monthly unit cost for the single-family homes is projected at \$15.50 and includes recycling service.

Snow Removal: The Association is responsible for plowing snow on the roads and hand shoveling snow from the sidewalk along common ground. The budgeted amount is the same as the 2014 budget. If the Association is over budget in 2015, a special assessment may be needed.

RIVERWOODS AT NEW HOPE COMMUNITY ASSOCIATION
2015 BUDGET ANALYSIS
- continued -

Management Service: In accordance with the existing Management Agreement.

Pond Maintenance: Funds provided for applications to the pond.

Office & Administrative: Includes the estimated cost of office stationery, bank service charges, postage, copying, court costs and other miscellaneous Association expenses.

Insurance: The Association will maintain coverage on the common ground, directors' & officers' liability insurance and general liability insurance. Owners are responsible for insuring their homes, including building coverage, personal contents and liability coverage.

Repairs & Maintenance: Projected at \$225 per month for general repairs of the common area not included in the grounds maintenance budget.

Legal & Accounting: The Association will employ an accountant to prepare an independent financial statement and tax return annually. Funds are also provided for routine legal services.

Site Lighting: The Association is responsible for electricity to the ten site lights, at a projected monthly cost of \$125.

Corporate Tax: The Association is responsible for paying tax on its net interest income.

CAPITAL RESERVE & CONTRIBUTED CAPITAL: In accordance with the Capital Reserve Analysis, each unit will contribute \$193 annually to the fund. In addition, all interest earned on the capital reserve fund, projected at \$5,460, will be retained in the account.

The Association has a total Capital Contribution Assessment of \$9,250 budgeted for all resales of homes within the community. Any assessments received for resale Capital Contributions will be placed in the Capital account. All interest earned on the Capital funds, projected at \$440, will be retained in the account.

ASH TREE REMEDIATION RESERVE: Funds being reserved for the future anticipated removal and/or treatment of the community's many common area ash trees due to the impending Emerald Ash Borer infestation. The annual unit contribution for the 2015 budget is \$150.